

# **Exhibit C**



COMMONWEALTH OF  
PUERTO RICO

Government Development Bank  
for Puerto Rico

PRESS RELEASE

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October 31, 2013

## GOVERNMENT DEVELOPMENT BANK FOR PUERTO RICO COMMENTS ON CONFERENCE CALL ABOUT COFINA LEGAL OPINIONS

**San Juan** – Government Development Bank for Puerto Rico (GDB) Interim President José V. Pagán Beauchamp thanked all investors and analysts who participated in and submitted questions for this afternoon’s conference call, which discussed legal opinions provided by external legal counsel in 2011 in connection with the issuance by the Puerto Rico Sales Tax Financing Corporation (“COFINA”) of its Sales Tax Revenue Bonds, Senior Series 2011C and Senior Series 2011D.

“Today’s call is another example of this administration’s focus on transparency and maintaining a productive, ongoing dialogue with the investment community. We would like to thank all those who joined the GDB, our legal team, and our outside counsel for their participation in today’s conference call.”

As a reminder, the legal opinions discussed in today’s conference call are available for review on the GDB’s website: [http://www.gdb-pur.com/investors\\_resources/cofina.html](http://www.gdb-pur.com/investors_resources/cofina.html).

Key points addressed in today’s conference call include the following:

- Law 91-2006, which created COFINA, transferred ownership of a portion of the Sales and Use Tax (“SUT”) to COFINA and provided that any transferred portion are not “available resources” under the Constitutional provisions relating to full faith and credit general obligation (“GO”) bonds.
- The law provides that the Commonwealth agrees not to limit or restrict the rights granted by the COFINA Act or the rights of COFINA to meet its obligations to its bondholders.
- COFINA’s bond documents require written confirmation of all outstanding ratings and opinions confirming that new revenue would not constitute “available resources” in the event the SUT were to be replaced with another source of revenues.
- The Puerto Rico Secretary of Justice has provided, for each COFINA transaction (13 in total), a legal opinion that the SUT allocated to COFINA is not subject to “claw-back” by GO bondholders under the PR Constitution. US-based Bond Counsel and PR-based Underwriters’ Counsel have delivered legal opinions reaching the same conclusion.

- This “claw-back” opinion enjoys broad bipartisan support: four different Secretaries of Justice, serving three different administrations (of alternating political parties), have issued official opinions that the SUT allocated to COFINA is not subject to “claw-back.”
- In contrast to other state jurisdictions but similar to the standard applicable in federal court, Puerto Rico law establishes a matter may come before a court only if a real “case or controversy” exists. As a result, COFINA has not sought and may not seek an advisory ruling or opinion from the Puerto Rico Supreme Court on any matter.
- While no new COFINA transaction has been announced, no such transaction would be completed without again receiving closing opinions from each of Bond Counsel, Underwriters Counsel and the Puerto Rico Secretary of Justice, that reached exactly the same conclusions as the opinions discussed on the conference call today.

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